



State of Utah

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DWS News Release

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UTAH'S EMPLOYMENT SITUATION: July 2006

Utah's number of non-farm wage and salaried jobs registered a year-over increase of 4.7 percent for July, 2006. Approximately 53,900 new jobs have been created in the Utah economy over the past year, raising total wage and salary employment in Utah to 1,194,400. This rate keeps Utah within the top five states nationwide for employment growth. Utah's June employment growth rate has been revised up to 4.9 percent.

Utah's other primary indicator of current labor market conditions, the seasonally-adjusted unemployment rate, registered 3.4 percent in July, down 0.8 percentage points from the unemployment rate of 4.2 percent registered a year ago in July, 2005. Approximately 44,000 Utahns were unemployed in July, 2006 as compared to 52,600 in July, 2005. June's unemployment rate is unrevised at 3.1 percent. The United States' unemployment rate rose to 4.8 percent in July.

Mark Knold, Senior Economist for the Department of Workforce Services commented, "The Utah economy has probably reached the peak of the current cycle of employment growth. I anticipate that as we finish out the remainder of this year, Utah's employment growth rate will not rise further. It will probably start to recede a bit, slowly moving back toward the lower 4-percent range. The early indications from July data suggest that this is already beginning, but more data is yet to come, so we won't carve that in stone just yet. I see two factors causing this moderation. First, Utah's low unemployment rate implies full employment in the labor market, to the point where finding additional workers for more job expansion may become restrictive. Second, multiple indicators suggest the national economy is slowing, and this is bound to have a small trickle-down affect upon Utah."

Since July 2005, the United States' economy has added 1.7 million new jobs—a growth rate of 1.3 percent. The approximately 53,900 new jobs in Utah represent a growth rate of 4.7 percent, and that represents about 3.2 percent of all the new jobs added in the United States over the past year.

All employment sectors in Utah continue to add new jobs. However, having steadily increased employment over the past three years, the volume of new jobs added may be peaking. July's preliminary employment growth rate of 4.7 percent is down from the 4.9 percent peak of last month. July's data could yet be higher when revisions are determined next month, but even if that happens, it is still thought that the Utah employment growth trend is peaking. Utah's tight labor market and slowing in the national economy combine to place the higher probability of future economic activity toward a slowing trend.

Utah Labor Market Indicators July 2006

Employment Growth: 4.7%
Employment Increase: 53,900
Unemployment Rate: 3.4%

United States

Employment Growth: 1.3%
Unemployment Rate: 4.8%

Construction continues to lead the way with the most new jobs added over the past year. Approximately 12,700 new jobs were added in this sector, with a stellar growth rate of 14.8 percent. Construction growth is pervasive throughout the state, and is seen in both residential and non-residential activities.

If you look at construction across the entire United States, it paints two different pictures. In the western United States, construction activity is booming, with the exception of Alaska and California. States like Utah, Arizona, Nevada, Idaho, Montana, Oregon, and Washington have construction growth rates of 9 percent or higher—some drastically higher. Colorado, New Mexico, and Wyoming are not far behind with 8 percent growth. Go east of the Mississippi River and you do not find construction activity nearly as robust. In fact, there are large pockets where construction employment growth is minimal at best, with states like Connecticut and Louisiana actually experiencing employment contractions. Construction employment activity currently stands as a good proxy for the overall performance of the various state economies. Western states lead the way and, in some instances, are enjoying their best economic performance of the past ten years.

The other big employment growth area in Utah is professional and business services. This sector added around 12,200 new jobs over the past year, with a growth rate of 8.2 percent. Half of these jobs are in the professional and scientific area, where advanced education levels are a common theme and pay compensation is high. These would include legal jobs, engineering, architecture, computer specialties, scientists, and researchers, among others. The other large area of employment gain is in the employment services arena, where businesses act as agents to find other businesses workers, whether temporary, permanent, or to handle other companies' human resource activities. If Utah mirrors national statistics in this area, then occupations heavily supplied to businesses through these agents would include production workers, transportation, office and administrative support, and healthcare personnel.

There is again a contrast of employment across the country in professional and business services. This industry is expanding employment more in the west than the east, but that difference is not quite as pronounced as it is in the construction arena. Only Nevada, Utah, and Arizona stand out with exceptionally high growth rates in this industry in relation to all other states.

Manufacturing is a high-profile industry in America, once being the centerpiece of our industrial economy. But America's economic base is slowly transitioning to other sources of employment and income and, as a result, manufacturing employment is declining. Manufacturing accounts for 10 percent of all Utah employment, and across the past ten years, overall manufacturing employment levels have declined here in Utah. But over the past three years, Utah manufacturing jobs are growing once again. Over the past year, 3,400 new manufacturing jobs have developed—a growth rate of 3.1 percent. The national picture is quite a contrast. Nearly all states east of the Mississippi River are losing manufacturing jobs. Only in the West do you see significant employment gains. These are marked by a high of 4.6 percent employment growth in South Dakota; but Utah joins an elite group including Nevada, Oregon, Washington, and New Mexico with manufacturing employment gains at 3 percent or higher. These states are currently bucking the national trend.

Utah's August employment numbers will be released at 9:00 a.m. on Tuesday, September 12, 2006.

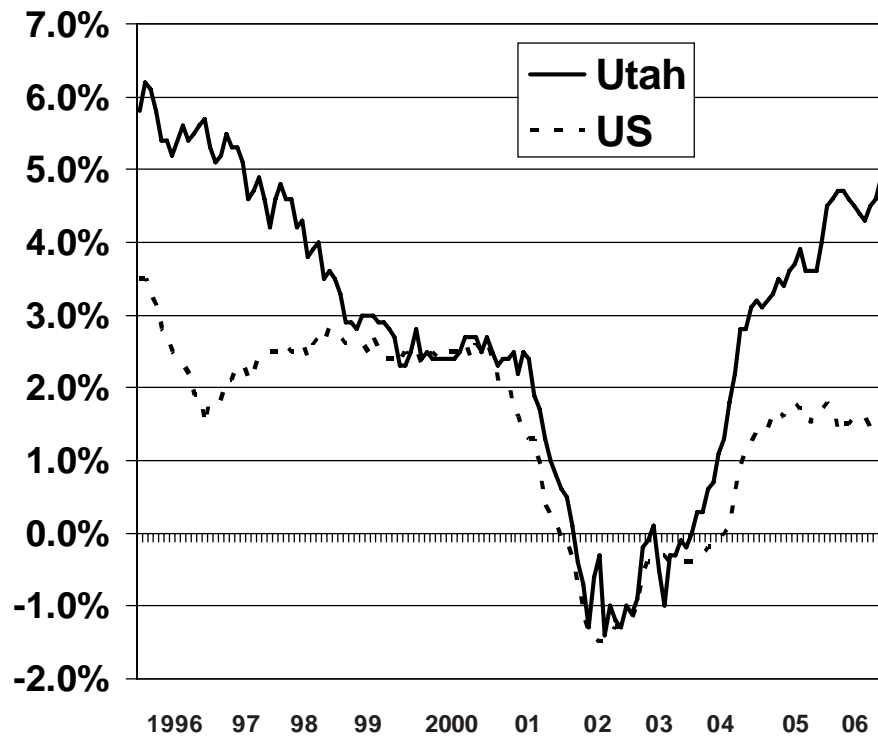
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Utah Nonagricultural Jobs by Industry and Components of the Labor Force

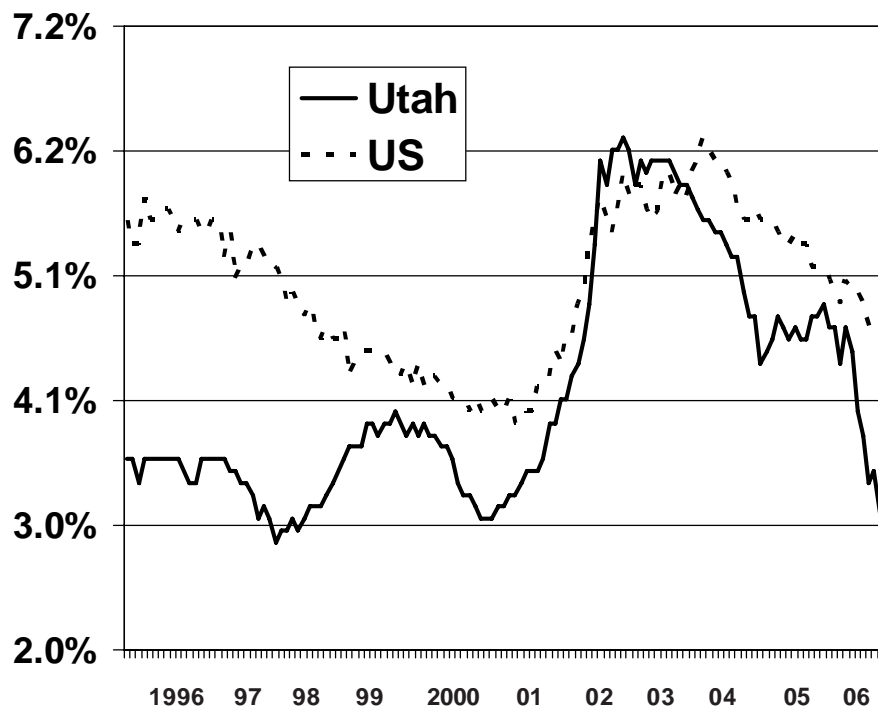
Numbers are in thousands and are not seasonally adjusted.	July(f) 2006	July 2005	Percentage Change	June(r) 2006	June 2005	Percentage Change
CIVILIAN LABOR FORCE	1,317.1	1,267.5	3.9	1,317.3	1,278.6	3.0
Employed	1,272.3	1,213.6	4.8	1,274.1	1,221.1	4.3
Unemployed	44.8	53.9	-16.9	43.2	57.5	-24.9
Unemployment Rate	3.4	4.3		3.3	4.5	
NONAGRICULTURAL EMPLOYMENT (Thousands)	1,194.4	1,140.5	4.7	1,204.7	1,148.9	4.9
GOODS PRODUCING	230.2	212.3	8.4	227.6	209.5	8.7
Natural Resources, and Mining	10.3	8.7	17.5	10.0	8.5	17.3
Construction	98.3	85.6	14.8	96.2	83.3	15.6
Construction of Buildings	22.0	18.7	17.5	21.7	18.2	19.3
Heavy and Civil Engineering	9.6	9.0	7.1	9.5	8.9	
Specialty Trade Contractors	66.7	58.0	15.1	65.1	56.2	15.7
Manufacturing	121.6	118.0	3.1	121.4	117.7	3.1
Durable Goods	81.8	79.0	3.6	81.8	79.0	3.5
Primary and Fabricated Metals	16.0	15.1	5.8	15.9	15.0	5.9
Computer and Electronic Products	11.1	11.0	1.2	11.1	11.0	1.0
Transportation and Equipment Manufacturing	14.5	14.4	0.8	14.6	14.5	0.8
Non-Durable Goods	39.8	38.9	2.2	39.6	38.7	2.4
Food Manufacturing	13.2	13.4	-1.4	13.1	13.3	-1.3
Printing and Related Support Activities	6.6	6.6	1.0	6.6	6.6	0.6
SERVICES PROVIDING	964.2	927.9	3.9	977.1	939.4	4.0
Trade, Transportation, and Utilities	232.9	225.3	3.3	232.4	223.8	3.8
Wholesale Trade	45.7	43.4	5.3	45.5	43.3	5.3
Retail Trade	137.5	134.5	2.3	137.4	133.4	3.0
Motor Vehicle and Parts Dealers	17.9	17.3	3.4	17.9	17.1	4.4
Food and Beverage Stores	22.7	22.1	2.5	22.6	22.0	2.7
General Merchandise Stores	26.9	26.1	3.3	26.4	25.6	3.0
Transportation and Utilities	49.6	47.5	4.6	49.4	47.1	4.9
Utilities	4.0	4.0	1.4	4.0	4.0	1.5
Transportation & Warehousing	45.6	43.5	4.9	45.4	43.2	5.2
Air Transportation	6.9	6.9	0.2	6.9	6.8	1.1
Truck Transportation	18.2	17.7	2.7	18.0	17.5	2.7
Information	33.0	32.5	1.3	33.1	31.8	4.3
Publishing Industries	9.5	9.3	2.1	9.5	9.2	3.8
Motion Picture and Sound Recording	4.9	4.8	1.9	4.9	4.4	12.1
Telecommunications	5.9	5.8	1.1	5.9	5.5	7.0
Internet Service Providers	8.4	8.1	2.6	8.1	7.9	3.3
Financial Activities	71.3	67.9	4.9	70.7	67.2	5.2
Finance and Insurance	53.5	51.4	4.1	53.1	50.9	4.4
Real Estate and Rental and Leasing	17.8	16.5	7.6	17.5	16.3	7.7
Professional and Business Services	160.5	148.3	8.2	159.0	146.8	8.3
Professional, Scientific, and Technical Services	61.5	55.1	11.7	60.9	54.4	12.0
Architectural, Engineering, and Related	11.8	11.0	7.6	11.6	10.8	8.1
Computer Systems Design and Related	13.7	12.2	12.9	13.5	11.8	13.9
Management of Companies and Enterprises	21.3	21.0	1.5	21.2	20.9	1.4
Administration & Support						
& Waste Management & Remediation	77.7	72.3	7.6	76.9	71.4	7.6
Employment Services	27.1	22.1	22.7	27.0	22.0	22.8
Business Support Services	17.3	17.2	1.0	17.1	17.0	0.3
Education and Health Services	130.3	124.7	4.5	131.5	126.1	4.3
Educational Services	26.3	25.0	5.0	27.1	25.8	4.9
Health Services and Social Assistance	104.1	99.7	4.4	104.4	100.3	4.1
Ambulatory Health Care Services	39.5	37.6	5.1	39.8	38.0	4.9
Hospitals	30.1	29.0	3.8	30.0	29.1	3.0
Nursing and Residential Care Facilities	19.7	19.0	3.7	19.5	18.8	3.7
Social Assistance	14.8	14.1	4.8	15.0	14.3	4.8
Leisure and Hospitality	109.2	106.2	2.9	109.0	106.1	2.7
Arts, Entertainment, and Recreation	18.0	17.3	4.2	17.9	17.3	3.2
Accommodation and Food Services	91.2	88.9	2.7	91.1	88.8	2.6
Accommodation	17.8	17.6	1.4	17.3	17.0	2.1
Food Services and Drinking Places	73.4	71.3	3.0	73.8	71.8	2.8
Other Services	35.2	34.3	2.8	34.3	33.4	2.9
Government	191.8	188.7	1.6	207.2	204.3	1.4
Federal Government	37.0	36.3	2.0	36.7	36.0	2.0
Federal Defense	16.7	16.4	1.7	16.6	16.3	1.7
Other Federal Government	20.3	19.9	2.2	20.2	19.7	2.2
State Government	60.0	58.9	1.9	61.0	60.3	1.2
State Schools	31.3	30.7	2.0	32.7	32.2	1.6
Other State Government	28.6	28.2	1.7	28.4	28.1	0.8
Local Government	94.8	93.6	1.3	109.4	108.0	1.3
Local Education	48.3	47.6	1.4	62.4	61.8	1.0
Other Local Government	46.6	45.9	1.3	47.0	46.3	1.6

Source: Utah Department of Workforce Services f = forecast r = revised August 15, 2006

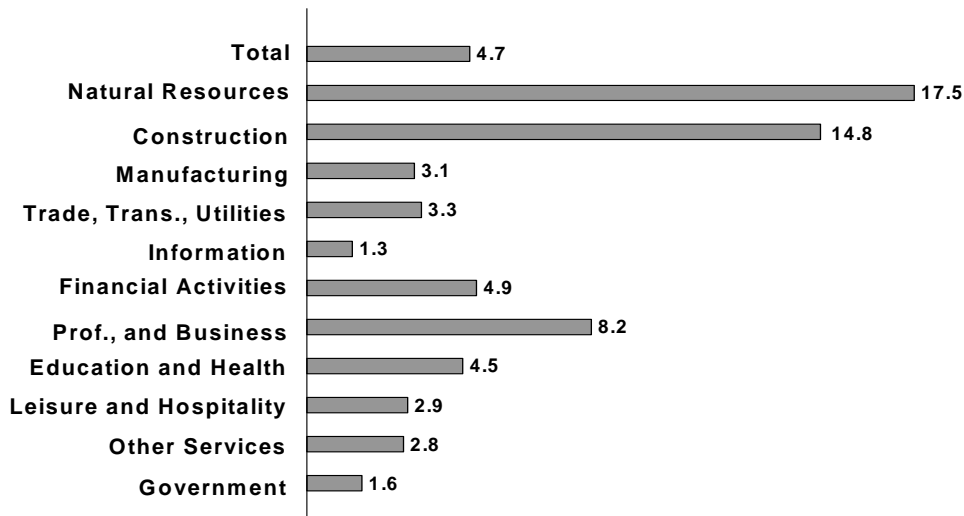
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

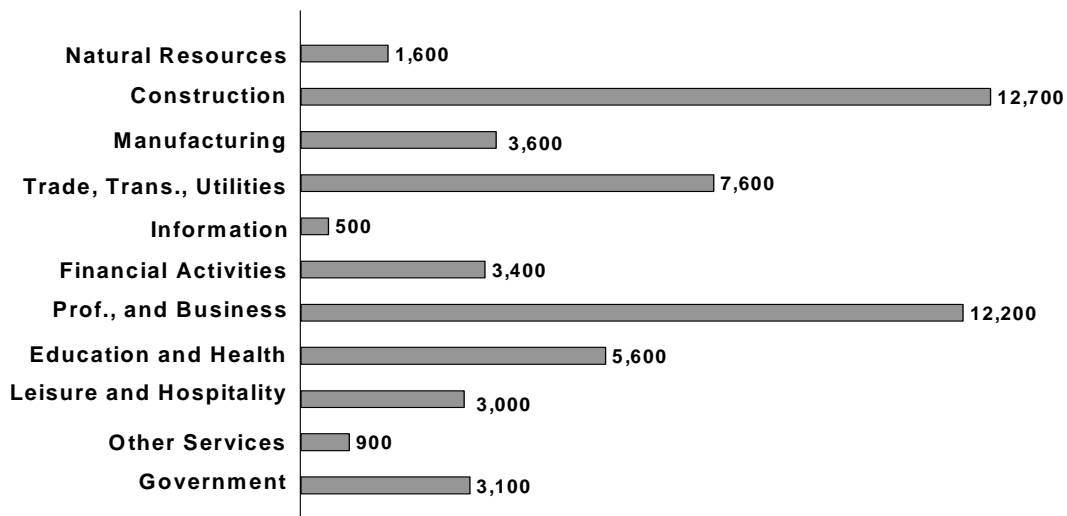


Utah Nonfarm Job Growth (Percent Change) July 2005 – 2006



Source: Utah Department of Workforce Services

Utah Nonfarm Job Growth (Numeric Change) July 2005 – 2006



Source: Utah Department of Workforce Services

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	July 2006(f)	July 2005	Percent Change	June 2006(r)	May 2006(r)
State Total	1,194,431	1,140,471	4.7	1,192,584	1,189,390
Bear River	65,829	63,759	3.2	67,880	68,257
Box Elder	19,930	18,832	5.8	20,036	19,800
Cache	45,045	44,082	2.2	47,200	47,900
Rich	854	845	1.1	644	556
Wasatch Front	788,683	758,174	4.0	783,195	778,526
North	195,067	189,166	3.1	193,933	191,403
Davis	100,474	96,651	4.0	99,961	97,421
Morgan	1,868	1,833	1.9	1,969	1,881
Weber	92,725	90,682	2.3	92,003	92,101
South	593,616	569,008	4.3	589,262	587,123
Salt Lake	578,486	554,855	4.3	574,288	572,483
Tooele	15,129	14,153	6.9	14,974	14,640
Mountainland	197,145	186,641	5.6	197,571	201,530
Summit	19,797	17,726	11.7	18,593	20,289
Utah	171,095	163,357	4.7	172,476	175,021
Wasatch	6,252	5,558	12.5	6,502	6,220
Central	23,756	22,593	5.1	24,162	23,658
Juab	3,421	3,220	6.2	3,308	3,209
Millard	3,975	3,845	3.4	4,068	3,926
Piute	312	336	-7.0	306	282
Sanpete	6,790	6,496	4.5	7,341	7,322
Sevier	8,055	7,567	6.4	8,026	7,899
Wayne	1,203	1,129	6.5	1,113	1,020
Southwestern	75,797	69,850	8.5	76,106	75,041
Beaver	2,022	1,962	3.0	2,025	1,951
Garfield	2,755	2,689	2.5	2,474	2,259
Iron	15,789	14,699	7.4	16,952	16,962
Kane	3,661	3,284	11.5	3,279	3,003
Washington	51,571	47,216	9.2	51,376	50,866
Uintah Basin	20,420	17,964	13.7	20,736	20,165
Daggett	628	547	14.8	621	538
Duchesne	6,587	5,860	12.4	6,583	6,373
Uintah	13,205	11,557	14.3	13,532	13,255
Southeastern	22,801	21,490	6.1	22,934	22,214
Carbon	9,389	8,689	8.1	9,668	9,499
Emery	4,257	3,914	8.8	4,201	4,088
Grand	5,109	4,961	3.0	4,853	4,592
San Juan	4,046	3,926	3.1	4,211	4,035

f = forecast r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 8/15/06